

# WISCONSIN TECHNICAL COLLEGE SYSTEM

Budget Summary						FTE Position Summary				
Fund	2010-11 Adjusted Base	Governor		2011-13 Change Over Base Year Doubled		2010-11	Governor		2012-13 Over 2010-11	
		2011-12	2012-13	Amount	%		2011-12	2012-13	Number	%
GPR	\$144,590,700	\$108,247,300	\$108,247,300	-\$72,686,800	- 25.1%	30.25	23.25	23.25	- 7.00	- 23.1%
FED	33,466,900	32,841,400	32,841,400	- 1,251,000	- 1.9	36.85	28.75	28.75	- 8.10	- 22.0
PR	<u>7,792,700</u>	<u>5,206,600</u>	<u>5,206,600</u>	<u>- 5,172,200</u>	<u>- 33.2</u>	<u>15.20</u>	<u>11.00</u>	<u>11.00</u>	<u>- 4.20</u>	<u>- 27.6</u>
TOTAL	\$185,850,300	\$146,295,300	\$146,295,300	-\$79,110,000	- 21.3%	82.30	63.00	63.00	- 19.30	- 23.5%

## Budget Change Items

### 1. STANDARD BUDGET ADJUSTMENTS

**Governor:** Provide \$109,400 GPR, \$7,600 FED, and \$46,600 PR annually to adjust the base budget for: (a) full funding of continuing salaries and fringe benefits (\$105,600 GPR and \$45,000 PR annually); (b) full funding of lease and directed moves costs (\$3,800 GPR, \$7,600 FED, and \$1,600 PR annually); and (c) minor transfers within the same appropriation.

GPR	\$218,800
FED	15,200
PR	<u>93,200</u>
Total	\$327,200

### 2. INCREASE EMPLOYEE CONTRIBUTIONS FOR PENSIONS AND HEALTH INSURANCE

**Governor:** Delete \$392,600 annually to reflect fringe benefit cost reductions associated with increased state employee contributions for Wisconsin Retirement System (WRS) benefits and health insurance coverage. The reductions would include \$175,600 GPR, \$158,300 FED, and \$58,700 PR annually. The calculation of retirement savings is based on employee WRS contributions equal to 5.8% of salary. Health insurance cost reductions are based on employees paying an average of approximately 12.6% of total premium costs, compared to the current average of approximately 6% of costs.

GPR	- \$351,200
FED	- 316,600
PR	<u>- 117,400</u>
Total	- \$785,200

### 3. ELIMINATE LONG-TERM VACANCIES

**Governor:** Delete \$1,178,300 (all funds) and 19.3 FTE positions annually to reflect the elimination of long-term vacant positions under the bill. The reductions would include \$460,900

	Funding	Positions
GPR	- \$921,800	- 7.00
FED	- 949,600	- 8.10
PR	<u>- 485,200</u>	<u>- 4.20</u>
Total	- \$2,356,600	- 19.30

GPR and 7.0 GPR positions, \$474,800 FED and 8.1 FED positions, and \$242,600 PR and 4.2 PR positions annually. Funding and position reductions are associated with positions that have been vacant for 12 months or more.

#### 4. STATE GENERAL AID REDUCTIONS

GPR	- \$71,601,400
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**Governor:** Delete \$35,800,700 annually for state general aid to technical college districts from base level funding of \$119,335,600. The reduction is equal to 30% of base funding for this purpose.

#### 5. DISTRICT BOARD LEVY LIMIT

**Governor:** Prohibit a technical college district board's tax levy in 2011 and in 2012 from exceeding the district board's tax levy in 2010. For the purposes of this provision, define "tax levy" to exclude taxes levied for the purpose of paying principal and interest on valid bonds and notes. Provide that if the WTCS Board determines that a district board imposed in 2011 or 2012 an excess levy, meaning a levy amount in excess of its 2010 levy, then the WTCS Board must do all of the following: (a) reduce the amount of state aid payments to the district board in the school year in which the district board imposed the excess levy by an amount equal to the amount of the excess levy; (b) ensure that the amount of any reductions in state aid lapses to the general fund; (c) ensure that the amount of the excess levy is not included in determining the limit for the following year; and (d) ensure that, if a district board's excess levy exceeds the amount of state aid that may be reduced, then the excess amount is subtracted from state aid payments in the following years until the total amount of the excess levy is subtracted from state aid payments.

Provide that the Department of Revenue could issue a finding that a district board is not liable for a state aid penalty that would otherwise be imposed if the Department determines that the district board's excess levy is caused by one of the following clerical errors: (a) the Department, through mistake or inadvertence, has assessed to any county or taxation district, in the current year or in the previous year, a greater or lesser valuation for any year than should have been assessed, causing the district board's levy to be erroneous in a way that directly causes an excess levy; or (b) a taxation district clerk or a county clerk, through mistake or inadvertence in preparing or delivering the tax roll, causes a district board's levy to be erroneous in a way that directly causes an excess levy.

Under current law, a district board's operating levy is limited to 1.5 mills on the full value of the taxable property of the district. The mill limitation is not applicable to taxes levied for the purpose of paying principal and interest on valid bonds or notes. Capital expenditures in excess of \$1.5 million must be approved by referendum.

[Bill Section: 1095]

## 6. ACROSS-THE-BOARD REDUCTIONS

GPR	- \$31,200
PR	- 261,000
Total	- \$292,200

**Governor:** Delete \$15,600 GPR and \$130,500 PR annually as part of reductions to most GPR and PR state operations appropriations excluding salaries and fringe benefits. The following table shows base level funding and annual reduction amounts for the affected appropriations.

	<u>Base</u>	<u>Annual Reduction</u>	<u>Fund Source</u>
<b>Wisconsin Technical College System</b>			
General program operations	\$3,296,800	-\$15,400	GPR
Agricultural education consultant	69,900	-200	GPR
Auxiliary services	16,900	-1,700	PR
Fire schools--state operations	437,900	-19,900	PR
Conferences	80,600	-8,000	PR
Personnel certification	276,600	-7,100	PR
Interagency projects--state operations	692,100	-56,100	PR
Interagency and intra-agency programs	272,900	-27,300	PR
Services for district boards	130,300	-3,200	PR
<b>Educational Approval Board</b>			
Proprietary school programs	497,600	-7,200	PR

## 7. PROGRAM REVENUE REDUCTIONS

PR	- \$4,401,800
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**Governor:** Reduce funding by \$2,200,900 PR annually to reduce program revenue spending authority to reflect actual revenues received. Reduce authorized appropriation levels for the following: (a) truck driver training (\$428,200 annually); (b) interagency projects--local assistance (\$1,380,600 annually); and (c) interagency projects--state operations (\$392,100).

## 8. FEE REMISSIONS FOR VETERANS AND CERTAIN DEPENDENTS

**Governor:** Require each technical college district board to grant a full remission of fees for 128 credits or eight semesters, whichever is longer, less the number of credits or semesters for which the person received remission of tuition and fees from any other technical college, from the UW System Board of Regents, and from the UW-Madison Board of Trustees, which would be created under the bill, but not less the amount of any tuition or segregated fees paid under the federal Post-9/11 G.I. Bill, to certain veterans, children, and spouses. Specify that this provision would take effect retroactively on January 1, 2010, and would first apply to students who enrolled in the spring, 2010, semester.

Under current law, each technical college district board is required to grant a full remission of fees for 128 credits or eight semesters, whichever is longer, less the number of credits or semesters for which the person received remission of tuition and fees from any other technical college and from the Board of Regents and less the amount of any tuition or segregated

fees paid under the federal Post-9/11 G.I. Bill, to certain veterans, children, and spouses. Before granting a remission of tuition and segregated fees to an eligible veteran, child, or spouse, the technical college district board must require the student who is an eligible veteran, child, or spouse to apply to the payment of fees all educational assistance to which the student is entitled under the federal Post-9/11 G.I. Bill. This provision applies even if the student is eligible for benefits under the Montgomery G.I. Bill or certain other federal education programs for veterans and dependents unless the student is eligible for 12 months or less of benefits under those programs.

According to the administration, the intent of this provision is to require technical college district boards, the UW System Board of Regents, and the UW-Madison Board of Trustees to grant a full remission of tuition and fees charged for 128 credits or eight semesters, whichever is longer, without regard to the number of credits or semesters for which the student received educational assistance under federal programs for eligible veterans.

[Bill Sections: 1098 thru 1101, 9346(1), and 9446 (1)]

## **9. REPEAL NONRESIDENT TUITION EXEMPTIONS FOR CERTAIN UNDOCUMENTED PERSONS**

**Governor:** Repeal provisions created in 2009 Act 28 requiring WTCS to consider certain undocumented persons as residents of this state for purposes of admission and tuition if that person meets all of the following requirements: (a) the person graduated from a high school in this state or received a declaration of equivalency of high school graduation from this state; (b) the person was continuously present in this state for at least three years following the first day of attending a high school in this state or immediately preceding receipt of a declaration of equivalency of high school graduation; and (c) the person enrolls in a district school and provides the district board with proof that the person has filed or will file an application for a permanent resident visa with the U.S. Citizenship and Immigration Services as soon as the person is eligible to do so. Specify that the repeal of these provisions would first apply to persons who enroll for the semester or session following the effective date of the bill.

[Bill Sections: 1096 and 9346(2)]

## **10. EXEMPT RESEARCH AND STUDIES FROM PUBLIC INSPECTION**

**Governor:** Provide that any governing body that has custody of a record may withhold from public inspection any record that is produced or collected by or for a faculty or staff member of a technical college in conducting research or a study on a commercial, scientific, or technical subject until that information is publicly disseminated or patented. Specify that this would apply to institution and studies sponsored by the research alone or in conjunction with other entities or a private person. Under the bill, this provision would also apply to records produced or collected by UW-Madison and UW System faculty and staff.

[Bill Sections: 354 and 355]